

(b) We need to meet soon after your request for a hearing is received to select a hearing officer/hearing panel.

3. *Scheduling of Hearing:* The hearing will be scheduled to be held within 15 days after we receive your request for a hearing. It will be held at a time and place convenient for both of us. If we cannot agree on a time and place, the hearing officer/hearing panel will designate the time and place.

4. *Examination of Records:* You have the opportunity before the hearing to examine and, at your own expense, to copy all documents, records, and regulations that are relevant to the hearing unless otherwise prohibited by law.

5. *Procedures Governing Hearing:*

(a) The hearing will be an informal proceeding before a hearing officer or hearing panel at which both parties will have an opportunity to present their sides of the dispute.

(b) Both parties may be represented by legal counsel or another person of one's choice.

(c) You have a right to a private hearing, unless you request a public hearing.

(d) Both parties have the right to present evidence, arguments, and witnesses to support their sides of the dispute, to refute evidence relied upon by the other party, and to confront and cross-examine all witnesses.

(e) A decision will be based solely and exclusively upon the facts presented at the hearing.

## Subpart M [Reserved]

## Subpart N—Housing Preservation Grants

SOURCE: 58 FR 21894, Apr. 26, 1993, unless otherwise noted.

### § 1944.651 General.

(a) This subpart sets forth the policies and procedures for making grants under section 533 of the Housing Act of 1949, 42 U.S.C. 1490(m), to provide funds to eligible applicants (hereafter also referred to as grantee(s)) to conduct housing preservation programs benefiting very low- and low-income rural residents. Program funds cover part or all of the grantee's cost of providing loans, grants, interest reduction payments or other assistance to eligible homeowners, owners of single or multiple unit rental properties or for the benefit of owners (as occupants) of consumer cooperative housing projects (hereafter also referred to as co-ops).

Such assistance will be used to reduce the cost of repair and rehabilitation, to remove or correct health or safety hazards, to comply with applicable development standards or codes, or to make needed repairs to improve the general living conditions of the resident(s), including improved accessibility by handicapped persons. Such assistance will be used to reduce the cost of repair and rehabilitation, to remove or correct health or safety hazards, to comply with applicable development standards or codes, or to make needed repairs to improve the general living conditions of the residents, including improved accessibility by persons with a disability. Individual housing that is owner occupied may qualify for replacement housing when it is determined by the grantee that the housing is not economically feasible for repair or rehabilitation.

(b) The Rural Housing Service (RHS) will provide Housing Preservation Grant (HPG) assistance to grantees who are responsible for providing assistance to eligible persons without discrimination because of race, color, religion, sex, national origin, age, familial status, or disability.

(c) The preapplication must only address a proposal to finance repairs and rehabilitation activities to individual housing or rental properties or co-ops. Any combination proposal will not be accepted.

(d) Any processing or servicing activity conducted pursuant to this subpart involving authorized assistance to RHS employees, members of their families, known close relatives, or business or close personal associates, is subject to the provisions of subpart D of part 1900 of this chapter. Applicants for this assistance are required to identify any known relationship or association with an RHS employee.

[58 FR 21894, Apr. 26, 1993, as amended at 62 FR 26208, May 13, 1997]

### § 1944.652 Policy.

(a) The policy of RHS is to provide HPG's to grantees to operate a program which finances repair and rehabilitation activities to individual housing, rental properties, or co-ops for very low- and low-income persons. Individual housing that is owner occupied

may qualify for replacement housing when it is determined by the grantee that the housing is not economically feasible for repair or rehabilitation. Grantees are expected to:

(1) Coordinate and leverage funding for repair and rehabilitation activities, as well as replacement housing, with housing and community development organizations or activities operating in the same geographic area; and

(2) Focus the program on rural areas and smaller communities so that it serves very low and low-income persons.

(b) RHS intends to permit grantees considerable latitude in program design and administration. The forms or types of assistance must provide the greatest long-term benefit to the greatest number of persons residing in individual housing, rental properties, or co-ops needing repair and rehabilitation or replacement of individual housing.

(c) Repairs and rehabilitation or replacement activities affecting properties on or eligible for listing on the National Register of Historic Places will be accomplished in a manner that supports national historic preservation objectives as specified in § 1944.673.

[62 FR 26208, May 13, 1997]

#### § 1944.653 Objective.

The objective of the HPG program is to repair or rehabilitate individual housing, rental properties, or co-ops owned and/or occupied by very low- and low-income rural persons. Grantees will provide eligible homeowners, owners of rental properties, and owners of co-ops with financial assistance through loans, grants, interest reduction payments or other comparable financial assistance for necessary repairs and rehabilitation. Further, individual housing that is owner occupied may qualify for replacement housing when it is determined by the grantee that the housing is not economically feasible for repair or rehabilitation, except as specified in § 1944.659.

[58 FR 21894, Apr. 26, 1993, as amended at 62 FR 26209, May 13, 1997]

#### § 1944.654 Debarment and suspension—drug-free workplace.

(a) For purposes of this subpart, exhibit A of FmHA Instruction 1940-M (available in any Agency office) requires all Rural Development applicants; for an HPG to sign and submit with their preapplication, Form AD-1047, "Certification Regarding Debarment, Suspension, and Other Responsibility Matters—Primary Covered Transactions," which basically states that the applicant has not been debarred or suspended from Government assistance. Further, all grantees after receiving a HPG must obtain a signed certification (Form AD-1048, "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion—Lower Tier Covered Transactions") from all persons or entities (excluding homeowner recipients) that the grantee does business with as a result of the HPG. Grantees are responsible for informing these persons or entities of the provisions of exhibit A of FmHA Instruction 1940-M (available in any Agency office) and of maintaining Form AD-1048 in the grantee's office.

(b) Grantees must also be made aware of the Drug-free Workplace Act of 1988 requirements found in exhibit A of FmHA Instruction 1940-M (available in any Agency office). For this subpart, a grantee is defined as any organization who applies for or receives a direct grant from Rural Development. All preapplications must include a signed Form AD-1049, "Certification Regarding Drug-free Workplace Requirements (Grants) Alternative I—Grants Other Than Individuals."

[58 FR 21894, Apr. 26, 1993, as amended at 61 FR 39851, July 31, 1996]

#### § 1944.655 [Reserved]

#### § 1944.656 Definitions.

References in this subpart to District, State, National and Finance Offices, and to District Director, State Director, and Administrator refer to Rural Development offices and officials and should be read as prefaced by Rural Development. Terms used in this subpart have the following meanings:

*Adjusted income.* As defined in 7 CFR 3550.54(c).